UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3513

Goodman

Mailed: October 7, 2004

Cancellation No. 92032853

CONCHITA FOODS, INC.

v.

FRITAS ENCANTO DE MONTERREY, S.A. DE C.V

Before, Hanak, Hohein and Walters, Administrative Trademark Judges

By the Board:

This case now comes up on petitioner's motion for sanctions in the form of a default judgment, filed May 4, 2004. The motion is fully briefed.[1]

In support of its motion, petitioner states that the Board issued a discovery order on January 22, 2004 granting respondent thirty days in which to serve responses to petitioner's Interrogatory Nos. 7 and 8 and petitioner's document requests; that on March 17, 2004, petitioner sent respondent's counsel (Rick Rodriguez) a letter providing ten more days to comply with the Board's order since the outstanding discovery responses had not been served; that petitioner received no response to this letter; that on

[1] Petitioner did not file a reply brief.

March 30, 2004, petitioner received a letter from Julian Castro Esq., who advised petitioner that respondent was represented by new counsel and that it had not received prior filings or correspondence from petitioner; that in response to that letter, petitioner provided respondent ten days from March 31, 2004 to serve its outstanding discovery responses; and that as of the date of its motion for sanctions, respondent has not complied with the Board's order.

In response to the motion for sanctions, respondent filed its response accompanied by a copy of the outstanding discovery responses since served on petitioner.[2] In opposition to the motion for sanctions, respondent admits that the discovery responses were tardy but states that it was the result of miscommunication between petitioner's counsel and respondent's current counsel which resulted in respondent "not receiving notice of the Board's order on [sic] Petitioner's Motion to Compel[3]"; that any delay was unintentional; and that once respondent's current counsel

[2] The discovery responses filed with respondent's response show a May 10, 2004 certificate of service date to petitioner.

[3] Respondent's March 30, 2004 letter to petitioner states that "although this law firm is recognized as the attorney of record at the United States Patent and Trademark Office, we have not received past filings or discovery requests from you over the last several months. " Apparently, respondent never served its notice of change of correspondence address on petitioner's counsel. Respondent is reminded that pursuant to Trademark Rule 2.119, all papers filed with the Board are to be served on petitioner's counsel.

received a copy of the Board's order, respondent promptly collected the requested information and served it on petitioner.

Entry of a default judgment for failure to comply with a discovery order of the Board is a harsh sanction. Dismissal or default is appropriate only where there is a strong showing of willful evasion of the Board's order. *Baron Philippe de Rothschild S.A. v. Styl-Rite Optical Mfg. Co.*, 55 USPQ2d 1848 (TTAB 2000) ; *Unicut Corp. v. Unicut, Inc.*, 222 USPQ 341 (TTAB 1984). A default judgment may also be appropriate when noncompliance with the Board's discovery order is the result of gross professional neglect. *See e.g., Evans V. State of Conn.*, 967 F. Supp. 673, 679 (D. Conn. 1997) ("Defendant's conduct (due to alleged misunderstanding) does not rise to the level of fault or gross professional neglect required for the imposition of the harsh sanction of default judgment permitted under Rule 37"). In addition, a finding of prejudice due to noncompliance is an important component of a decision to sanction a party with dismissal or default. *Inmuno Vital, Inc. v. Telemundo Group, Inc*. 203 F.R.D. 561, 573 (S.D. Fla. 2001).

While the circumstances are not entirely clear, it appears that respondent's tardiness in complying with the Board's January 22, 2004 order was not willful nor the

result of gross neglect. Additionally, the Board notes that petitioner apparently agreed to an enlargement of time for respondent to comply with the Board's order. Because petitioner has now received the outstanding discovery responses and the Board will reset discovery for petitioner only[4] so it can conduct follow up discovery due to the delay, any prejudice to petitioner has been cured thereby. In view thereof, petitioner's motion for sanctions in the form of a default judgment is denied.

Proceedings are resumed.

The parties are allowed until THIRTY DAYS from the mailing date of this order to serve responses to any other outstanding discovery requests. As stated above, discovery is extended for petitioner's benefit only to conduct follow-up discovery. Dates are accordingly reset as indicated below.

DISCOVERY PERIOD TO CLOSE for petitioner only	**December 6, 2004**
30-day testimony period for party in position of plaintiff to close:	**March 6, 2005**
30-day testimony period for party in position of defendant to close:	**May 5, 2005**
15-day rebuttal testimony period for party in position of plaintiff to close:	**June 19, 2005**

[4] We find that circumstances do not warrant an extension of the discovery period for respondent, and that the discovery period should be extended for petitioner's benefit only.

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.l25.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.l29.